

2007 DLEG ACCOMPLISHMENTS

I. Workforce

No Worker Left Behind

- DLEG launched the Governor's No Worker Left Behind initiative in August in an effort to double the number of Michiganders trained for family-sustaining jobs in demand in the 21st Century knowledge economy. That is, to train 100,000 people over the next three years. The No Worker Left Behind (NWLB) plan will help more than 100,000 displaced workers by:
 - providing up to two years free tuition at any Michigan community college or other approved training program;
 - allowing displaced workers to receive needed training in high demand skills while receiving unemployment benefits.
- Qualified participants will be eligible for up to \$5,000 per year and up to \$10,000 per person. This is a one-time offer and the initiative is operating on a first come, first served basis. All eligible individuals will have up to three years to sign up for No Worker Left Behind. Visit www.michigan.gov/nwlb, for more information about:

Accomplishments:

- Public interest for NWLB is very high. Michigan Works! Agencies (MWA) are reporting 2 to 5 times as many people at orientations.
- 7,788 individuals have enrolled in training as of November 27, 2007. This exceeds 2006 levels, despite fiscal challenges this year.
- \$13.6 million of additional federal funding has been identified and put into the field for NWLB.
- Community Colleges and other training providers are adding and updating courses for in-demand occupations at a record pace. Programs added during the first 3 months of NWLB were 45% greater than any other 3-month period since we started tracking in 2005.
- Two advisory groups have been developed to involve stakeholders in developing and implementing NWLB. The work groups involve staff and leaders from community colleges, MWAs, labor, Governor's office staff and DLEG.
- DLEG has issued an RFP inviting community colleges to submit proposals to foster innovation and increased capacity. Goals include online/offsite/non-work hours training delivery; "just-in-time" training to meet employer needs; and helping workers who need basic or remedial education.
- The NWLB website has been redesigned. The new format leads readers through the steps necessary to participate in NWLB, provides additional information on high demand occupations by MWA region and information for training providers is more accessible.

MI Opportunity Partnership

- In 2007, the MI Opportunity Partnership exceeded its year two goal of placing 40,000 workers into jobs ahead of schedule. The program, which connects displaced workers with current job openings and provides accelerated job training for high growth careers in health care, is a key element of Gov. Granholm's comprehensive plan to move Michigan's economy forward. Introduced by Granholm in 2005, the MI Opportunity Partnership is retooling Michigan's job training and steering unemployed workers into high-demand career fields. The Working For Jobs Today! pledge drive, a key component of the MI Opportunity Partnership program, is an extensive outreach to Michigan employers seeking to match their job openings with qualified job seekers. The pledge drive goal was to place 40,000 workers into jobs in year two; that milestone was

reached ahead of schedule on April 16, 2007. An equally ambitious, 40,000 job-placement goal is set for year three (May '07-April '08) and is on target to reaching its goal. The first year of the pledge drive exceeded a 30,000 job placement goal also ahead of schedule. This initiative is part of Granholm's comprehensive economic plan to create jobs, restructure and diversify Michigan's economy, change the state's business tax structure, expand access to higher education, and ensure that the state has a well-trained workforce. It includes a collaboration of the State of Michigan with employers from business and industry; Michigan Works! agencies; health care and the skilled trades; organized labor; community colleges and universities; associations; and Michigan Regional Skills Alliances.

Labor Market Information & Strategic Initiatives

The Michigan Department of Labor & Economic Growth, Bureau of Labor Market Information & Strategic Initiatives (LMISI) is the source of a wide array of information on Michigan's labor market; including information on jobs, unemployment, wages, industries, and occupations. The bureau produces a diverse range of products and services that assist the state's workforce boards, economic development activities, educational institutions and many state and private organizations.

- Produce and disseminate industry and occupational employment projections
 - Michigan completed its statewide short-term industry and occupational projections with a base period of second quarter 2006 and a target of second quarter 2008. These were developed using the methodology, software tools and guidelines developed by the Short-Term Forecasts Consortium and the MicroMatrix User's Group. The related ETA short-term forecast file was transmitted to the Projections Workgroup prior to the June 30, 2007 deadline.
 - Related WID tables were populated and made available on Michigan's LMI website.
 - The WID database, tables and reports containing our long-term (2004 – 2014) statewide and 18 sub-state industry and occupational forecasts were populated and published on the LMI website. A statewide analysis was also published on the website.
- Publish an annual economic analysis report for the governor and the SWIB
 - Michigan's approach was to bundle several economic reports together for the use of the Governor's office, the Council of Labor & Economic Growth, and senior leadership of the Department of Labor & Economic Growth. These reports included:
 - Michigan Innovation Indicators 2007 - This report evaluates five indicators related to the innovation capacity of the state's workforce. The report identifies recent trends in these indicators and a comparison of Michigan's position relative to the U.S. and other states.
 - Michigan's Economic and Workforce Indicators - This economic indicator publication provides a biannual update on a variety of economic, employment, innovation, and workforce indicators. It is designed to deliver time-series analysis and comparative data with competitive regions.
 - 21st Century Industry Sector Analysis – LMISI leveraged ETA grant dollars with funding from the Michigan Bureau of Workforce Programs to produce information on growth and declining industries, core industries, developing industries, and competitive-advantage industries. The profiles were generated for 13 workforce regions and included analytical text and maps with county detail.
- List products, information, and reports on the Internet.
 - Michigan completed and launched its new LMI website based on the Workforce Informer platform in June 2006. The many new features include the ability of performing queries of the Workforce Information Database via the Data Explorer feature, searches of the website's data and article topics and user help functions. Customers are also able to access and customize information in a dynamic and interactive environment. Additional links to useful resources on careers and the economy were added, including www.careervoyages.gov.

- Many new products were posted to the site during FY 2007. A few examples include:
 - 21st Century Regional Industry Sector Analyses
 - Key Demand Occupations
 - LMI Quick Reference Guide
 - Industry and Occupational Forecasts to 2014
 - Annual Planning Information Reports
 - Hot 50 Jobs
 - Seasonally Adjusted Industry Employment data for large metro areas
 - Job Vacancy Survey
- Work began in FY 2007 and is near completion for use of Career Clusters in the Workforce Informer platform, as well as the incorporation of two new datasets, Local Employment Dynamics and Business Employment Dynamics.
- LMISI also produced information products targeted specifically for local workforce board strategic planning needs or for the use of local board staff or service center clients. Examples of these products include:
 - Michigan's LMI Quick Reference Guide – This new publication was designed for use by front-line MWA service center staff working directly with clients. It gives a brief outline of key LMI data sets and why they are useful, with step-by-step instructions on downloading them from the web. It also outlines LMI products and publications and useful information websites.
 - Produced Annual Planning Information reports for each of 25 local Michigan Works! agencies. These customized documents provide information and analysis on key local economic, demographic, and labor market indicators. They are utilized by workforce boards to develop annual plans, grants, service center program plans, environmental scans, local demand occupation lists, and in strategic planning. Information was supplied to boards in print and electronic format, and made available to other users via the labor market information website.
 - Twice annually, multiple copies of the Analyst Resource Center Employer Database were supplied to service centers of Michigan Works! agencies that have signed license agreements. These databases supply valuable employer contact information for the use of jobseekers in the local service centers.
 - The Michigan Talent Bank Penetration Reports were provided quarterly to all 25 Workforce Development Boards. This product provides boards with information on the share of businesses in their region utilizing the Michigan Talent Bank labor exchange system. It serves as an indicator of the WIB's degree of penetration in the employer market and provides comparisons with other local boards.
- Conduct special studies and economic analyses
 - Published the research report Michigan Innovation Indicators 2007. This report evaluates five indicators related to the innovation capacity of the state's workforce. The report identifies recent trends in these indicators and a comparison of Michigan's position relative to the U.S. and other states.
 - LMISI completed an economic indicator project, Michigan's Economic and Workforce Indicators. This publication supplies senior department leadership and the Governor's office with a biannual update on a variety of economic, employment, innovation, and workforce indicators. It is designed to deliver time-series analysis and comparative data with competitive regional
 - Produced Key Demand Occupations, a new web product that provides occupational information for Michigan and 18 state regions. This product identifies occupations with a favorable combination of expected job growth, occupational wage, and the share of job openings generated by job growth. Key Demand Occupations requiring college degrees or job training are both presented. Information on primary skill requirements is also displayed.
- LMISI provided information support on a continual basis to the Governor's office and DLEG executive staff. This involved the rapid preparation of short analytical documents and the production on multiple occasions of county or regional profiles for the Governor's office. These profiles were frequently used as briefing material for regional forums throughout the state.

- Completed a revision of the Michigan Hot 50 Jobs brochures and posters for use in Michigan Works! service centers. The methodology for occupational selection was revised to highlight high-wage jobs and the educational and training information was customized for Michigan. Distribution of this publication was expanded to all Career Education Planning District Administrators, all Michigan Works! agencies, and other DLEG bureaus, such as Postsecondary Services, the Office of Career & Technical Preparation, the Michigan Commission for the Blind, Michigan Rehabilitation Services, and the Office of Adult Education.
- LMISI published on a monthly basis the Michigan Labor Market News. This print and web-based report provides information on the state's labor market and industry trends, as well as trends in the state's metro areas and regions. It also provides short articles on a variety of economic and labor market topics.
- LMISI generated Michigan Teen Summer Job Outlook forecasts for the summer of 2007. These were issued to the media via a department press release.
- LMISI staff developed customized presentation modules targeted at customer groups such as Workforce Board members, workforce board staff, employers, educators, and economic developers. Other sessions were designed to deliver career and occupational information to clients of Michigan Works! service centers and high school or community college students. About 1,500 persons attended these presentation sessions during PY 2006. Examples of these presentation topics include:
 - Industry Sector Analysis: Growth, Core, & Competitive-Advantage Industries
 - Local Employment Dynamics
 - Workforce Information Resources & LMI Website Training
 - Workforce Board Presentations on Regional Labor Market Trends
 - Career Trends and Job Search Information Sources for Jobseekers in One-Stop Service Centers
 - Where Are the Jobs? Southeast Michigan Job Outlook
 - How and Why Does the Government Measure Unemployment?
 - Growing IT Opportunities for the Capital Area
 - Importance of the Health Care Sector & the K-12 System
 - LMI and the Jobs of the Future
 - Redesigned Workforce Information Website
 - UI Claimants & the Published Unemployed
 - Michigan's Livestock Farming Cluster
 - Regional Employment Trends & Occupational Outlook
 - DLEG LMI Products & Services
- Produced quarterly customized Michigan Talent Bank Job Seeker Summaries, which provide demographic detail on the applicant pool for all 25 Michigan Works! agencies. Workforce boards were provided with customized data for their region on the number of Talent Bank applicants by occupation, the occupational distribution, as well as information on the educational attainment of applicants. State data was also supplied for comparison. In addition, information was supplied on the occupational distribution of Michigan Talent Bank job orders. These profiles were also provided to the public on the DLEG labor market information website.

Michigan Talent Bank

- Michigan Talent Bank's resume database reached over 675,000 and employer usage grew to 66,000 in FY 07. Since the launch of MiInternship website (www.michigan.gov/miintern) approximately 430,000 searches have been conducted and 3,129 employers have registered to post their available internships on the site.

SHARE Network

- DLEG and its SHARE Network Michigan project were recognized by the U.S. Department of Labor's (USDOL) Center for Faith-Based & Community Initiatives (CFBCI) for leading the nation with the highest number of Access Points that provide local resources to help citizens achieve

self-sufficiency. Access Points, staffed locally by volunteers, are a key component of the SHARE (*Sharing How Access to Resources Empowers*) Network that includes a website at <http://www.michigan.gov/sharenetwork> which DLEG launched last year in partnership with the USDOL. The site features a Resource Directory that centralizes information on local and state job search, and human service resources. SHARE Network Access Points provide local job search assistance and referral to other services in various faith-based and community organizations throughout the state.

Michigan Commission for Disability Concerns

- Governor Jennifer M. Granholm signed legislation that requires the use of qualified sign language interpreters who possess state or national certification in all accommodations required under the Americans with Disabilities Act of 1990 (ADA), making the scope of Michigan's law comparable to the federal law. Approximately 1.4 million Michigan citizens are deaf or hard of hearing. The move ends the confusion, frustration, and errors that are so often experienced by the deaf and hard of hearing in important life situations due to misinterpreted information.
- Extension of Supplier Diversity Program with two staff.
- Implementation of K-12 classroom sign language interpreter quality EIPA Testing by DODHH. EIPA (Education Interpreters Performance Assessment)
- SUCCESSFUL completion and funding of 7th Annual Michigan Youth Leadership Forum.

Michigan Rehabilitation Services

- MPRI -Completed local agreements and state agreement with Department of Corrections for prisoners reentry to employment
- Employment - Served over 2,600 employers for business services needs
- Entrepreneurship - Helped 91 people establish self-employment small businesses
- Served over 47,900 people with disabilities
- Helped 7,130 people with disabilities obtain employment with an average wage of \$11.50/hour
- Implemented JET program to 50% of the state to serve people with disabilities
- Met all federal standards and indicators
- Completed service agreements with all Institutions of Higher Education
- Convened action teams of community partners to focus on development of soft skills, regional communication, and joint marketing for people with disabilities
- Provided comprehensive vocational services and training to over 1,195 students with an employment placement rate for 310 graduates of 85%
- Provided prevention education and ergonomic training to 130 Michigan employers
- Completed an assessment of organization redesign and plan for continuous improvement
- Received National Rehabilitation Association public service award for outstanding service to persons with disabilities
- Received a spirit of DLEG award
- MCTI named educator of the year within the woodworking machinery industry association for 2007

Adult Education

- 19,439 individuals took the GED test this year, with 11,711 or 60% earning their GED Certificate.
- \$24 million of state adult education funds were used to support 164 school district and 86 consortium member school district adult education programs.
- Approximately \$12 million of federal funds were spent on Adult Education Instruction and \$1 million on EL Civics.
- Based on National Reporting System tables, 32,856 adults were served in the following areas:
 - Adult Basic Education: 19,086 (40%)

- English as a Second Language: 12,644 (26.6%)
- General Equivalency Diploma: 9,657 (20.3%)
- High School Diploma: 6,047 (12.7%)
- Workplace Literacy: 36 (.3%)
- Corrections enrolled 12,019 prisoners in adult education, with 556 advancing 2 grade levels in their learning.

Postsecondary Services

- Fall 2007 enrollment increased by 1.78% over 2006 Fall enrollment from 223,131 to 227,113.
- Total occupational enrollment increased by 7.14% over last year's enrollment from 206,113 in 2006 to 220,829 in 2007.
- 24 new occupational education programs were approved in 2007.
- A total of 400 licenses were issued to proprietary schools in 2007 compared to 366 in 2006.
- 43 new proprietary school permits were issued in 2007.
- Met the U. S. Department of Veterans Affairs inspection standards for inspection of nearly 230 veterans' educational sites, and processed 16 new approvals of VA education and training sites.
- Approved the operational authority for 5 private colleges in 2007.

Bureau of Workforce Programs

- Assisted in the design and implementation of the No Worker Left Behind (NWLB) Initiative.
 - Participated on the NWLB Action Team, Policy Workgroup, and Implementation Workgroup.
 - Made revision to the MIS system in order to collect appropriate data on the NWLB program.
 - Participated in the NWLB training held throughout Michigan.
- Michigan Talent Bank (MTB) Enhancements.
 - Implemented enhancements to the MTB public labor exchange system to better serve employers and job seekers:
 - Job Posting Spell Check for Employers.
 - Improved Format for E-mail Cover Letters.
 - Updated Spell Check for Jobseekers.
 - Retrieval of User ID and/or PIN for Jobseekers via E-mail.
 - E-mail Requirement for Employers (to receive critical messages).
 - Retrieval of Passwords for Employers via E-mail.
 - Online MTB Customer Survey.
 - New Look and Feel with Drop-down Menus, etc.
 - Coming Soon:
 - New (Redesigned) Resume Builder.
 - Ability to create multiple resumes with one login.
 - Ability to import resumes from MS Word documents or other text into Resume Builder using parsing software.
 - Skills-Based Searches.
 1. ONet-based tools (skills associated with job title).
 2. Years of experience.
- Worked in Partnership with Michigan Economic Development Corporation (MEDC) Partnership on Economic Development Projects that resulted in retaining companies and saving jobs
 - Department of Labor & Economic Growth (DLEG) / BWP in partnership with MEDC, Henry Ford Community College, Wayne State University and Detroit Workforce Development Department (DWDD), is assisting Caraco Pharmaceutical Labs with recruitment, training, and internship development of employees. BWP is utilizing the MTB to find qualified candidates and to post

- job openings for Caraco, in conjunction with DWDD who is conducting pre-screening activities, including assessment.
 - DLEG / BWP in partnership with MEDC, the Area Community Services Employment & Training (ACSET) will work with Grand Rapids Community College (GRCC) to develop training, enabling employees to gain the necessary skills needed to advancement and job retention and layoff aversion by Occupational skills training that will allow Plastec to retain workers and expand.
- Veterans Services
 - There were 2032 calls received on the Veterans Bill of Rights Toll Free Hotline. The staff answers calls from veterans and family regarding rights and benefits.
 - There were 4369 "Welcome Home Letters" sent to recently separated veterans.
 - There were 5102 Veterans placed in employment.
 - There were 19,287 veterans provide with employment services.
 - There were eight (8) Transitional Assistance Programs (TAP) held.
 - The TAP served 96 veterans.
- USDOL Shared Youth Vision Grant
 - Received grant in the amount of \$116,000 to increase collaboration of federal, state and local partners in serving youth.
 1. Build an infrastructure at the service-delivery level in Southeast Michigan to address barriers to a successful transition to adulthood for youth in foster care.
 2. Over twenty partners at both the state and local level are participating in this project.
- 21st Century Workforce Initiative Contractor Services
 - Michigan Manufacturing Technology Center (MMTC).
 - MMTC can provide training and assistance to Michigan manufacturers being threatened or adversely impacted by the current economic environment and cutbacks from their majority customers. As a part of the 21st Century Workforce Initiative, up to 75% of the cost for assistance can is paid for by DLEG grant funds.
 - A thorough assessment is completed for each firm who applies for assistance and then recommendations and referrals are made for the designated interventions for each firm. MMTC offers such services as: Executive Training, Financial Analysis, Customer Diversification, Six Sigma, LEAN Office, LEAN Champion Training, and Quality Assurance training.
 - MMTC has served 41 manufacturers, in 16 counties through the "Surviving to Thriving" program from September 2006-October 2007, for a total of 6,024 employees.
 - The companies they work with have between 25 and 500 employees, with 250 being the average amount.
- Business Solutions Professional Training (BSP).
 - BSP provides 84 hours of class work and additional fieldwork activities in a training designed to develop and certify the ability of participants to perform the functions of a Business Solutions Professional.
 - The second BSP class is wrapping up, for a total of 73 individuals successfully participating in the training.
 - An additional 20 individuals participated in an accelerated 2-day BSP seminar over the summer. These individuals included MWA directors and board members; DLEG and MEDC field services staff and other partners from economic and workforce development fields.
 - The impact of the BSP training can be seen throughout the state. Many of the graduates have made great use of the lessons and skills they have learned. It has been encouraging to hear that MEDC staff has begun to contact local BSP representatives to assist in retention and attraction projects. (This was not typically practiced in all regions in the state.)

- University of Michigan Automotive Manufacturing Assistance Program (AMAP).
 - The mission of AMAP is to assist Michigan automotive suppliers adjusting to changes in the automotive industry.
 - During the application process, AMAP compiles all the firms' information in completing an assessment of the areas in which intervention is necessary. A realistic strategy and action plan are developed with the firm's input and participation, and the appropriate referrals for technical assistance are put into action.
 - AMAP program pays for 75% of the diagnostic analysis/adjustment plan and 50% of the fee per intervention project.
 - AMAP has assisted 30 firms this reporting year. Eight firms are receiving combined assistance from AMAP and Great Lakes Trade Adjustment Assistance Center (GLTAAC). Within the 30 firms, there are 2,503 jobs, which generate \$685 million in sales revenue. (Three of the firms based an average of \$68 million.)
 - Michigan Regional Skills Alliance (MiRSA) Honorable Mention Award.
 - In July 2007, at its Workforce Innovations 2007 Conference in Kansas City, MO, the BWP received an honorable mention from the U.S. Department of Labor's Employment and Training Administration. The honorable mention "Leveraging the Power of e3 Partnerships" provided recognition for the Michigan Regional Skills Alliance initiative. Honorees in this category are organizations that demonstrate sustained partnerships among three critical workforce entities – employment, education, and economic development and how these partnerships successfully address economic growth, productivity and talent development. Michigan Regional Skills Alliances provide Michigan employers with a highly skilled workforce and Michigan citizens with careers offering good wages and ample opportunities through employer-led partnerships, resulting in mutually beneficial results for employers, workers and the community.
- Expanded Rapid Response activities.
 - Ford Motor Company: On May 19, 2007, a final Opportunity Fair was held at the Henry Ford Auditorium in Dearborn for Ford employees that were eligible for one of the company's buyout options (18 fairs were held during 2006.) Rapid Response assistance in facilitating the Opportunity Fairs was to coordinate local MWA planning and to secure state and federal civilian law enforcement service (Border Patrol, FBI, Secret Service, State Police, etc.) recruiters to attend these events. Unlike the 2006 fairs, the May 2007, event was also open to the general public. The fair attracted 4,094 Ford employees and several thousand members of the general public.
 - Worked with UAW International Representative to provide services and resources to four cohorts within UAW-GM. The four cohorts include: Detroit, Flint-Bay City-Saginaw, Grand Rapids and Lansing. Focused on the 34 employees who recently took the company buy-out. On November 8, 2007, an "Informational Fair" was held at the UAW-GW facility in Detroit (5 attendees). The feedback will enable the work group to further customize a survey for workers.

Bureau of Employment Relations/MERC

- Public Education Programs
 - An educational seminar was conducted in November 2006 for MERC's arbitrators and fact finders, describing the services of our agency and employer, union, and employee rights under the statutes we administer. This seminar was sponsored by and conducted at MSU College of Law, with a program arranged by Bureau staff.

- An additional seminar regarding retirement benefits for MERC arbitrators and fact finders was sponsored by and conducted at the Municipal Employees Retirement System (MERS) in April 2007.
 - Our agency continues to collaborate with its partners, who have graciously offered to present educational programs for our Bureau staff and agency decision makers, at a time when we are precluded from doing so due to budget constraints.
- Commission Accomplishments
 - Our Bureau continues to decline in size, but to successfully process an increased number of case filings. In 2007, with reduced staff and budget, our Bureau handled the following filings without issue:
 - 374 unfair labor practices and/or representation petitions processed
 - 121 union representation elections conducted
 - 2323 notices of open contracts received and processed
 - 557 open contracts mediated
 - 153 Act 312 or Fact Finding petitions filed
 - 112 Commission decisions issued
- Increased Productivity
 - The number of Commission decisions issued has almost doubled over the years. In **2001**, when our Bureau employed 28 FTEs, **60 Commission decisions** were issued. With only 21 FTEs in **2007**, **112 Commission decisions** were issued. A bar graph indicating the increase in the number of Commission decisions issued over the years is attached.

II. Regulatory

Liquor Control Commission

- The Liquor Control Commission teamed up with The Century Council to kick off the national "We Don't Serve Teens" campaign to raise public awareness about the dangers of underage drinking in Michigan. The new "We Don't Serve Teens" national campaign is aimed at reducing underage drinking and focusing on the social sources that may provide teens with access to alcohol. The campaign's centerpiece is www.DontServeTeens.gov, a website sponsored by a coalition of public and private sector organizations, including the Federal Trade Commission (FTC), the nation's consumer protection agency. Most teens who drink get alcohol from 'social' sources - parents of other teens, older siblings, and other relatives and friends. People who provide alcohol to teens not only undermine the efforts of parents to protect their kids, they also break the law.

Land Bank Fast Track Authority

- The Land Bank returned 161 blighted tax reverted properties to productive and economically viable use. Revenues exceeded \$524,000. Land Bank also worked with the Michigan State Housing Development Authority (MSHDA) to convey properties to non-profit organizations at no cost for the purpose of developing affordable housing.

Michigan Public Service Commission

- The MPSC approved rules promoting more shut-off protections, giving customers more time to pay bills and prohibiting estimated meter readings in most cases. The space-heating season for winter protection was also changed from December 1 through March 31 to November 1 through March 31. Additionally, customer shutoff protections were provided for military personnel and their families.
- MPSC submitted a comprehensive plan to the Governor that will provide reliable, clean and affordable power to meet Michigan's future electric energy needs, including a renewable portfolio standard and energy efficiency measures. This energy plan protects customers well into the 21st century by keeping our lights on, saving us billions of dollars, and protecting our environment. In

addition, the Plan helps grow Michigan's economy by fostering technologies that will create jobs critical to the 21st Century economy.

- MPSC unveiled its newly-improved Be WinterWise Web site (Michigan.gov/BeWinterWise), featuring a webcast explaining available energy assistance programs and tips on how to make your house more energy efficient. The new webcast is designed for citizens and local community organizations who want to understand the variety of programs available to ensure the heat stays on this winter. From low-cost tips on ways to cut energy usage, to budget payment plans, to shut-off protection programs, this Web site is the place to go to get answers to winter energy questions.
- MPSC marked its second anniversary in July of the Protect MI Child registry, which is helping to protect thousands of Michigan children from illegal electronic messages. The registry has allowed parents and others to register e-mail addresses, instant message IDs, mobile text messaging devices and fax numbers to which children have access. Registered contact points are protected by law from receiving messages that promote products or services that are legally prohibited for children. Examples include pornography, tobacco, gambling, alcohol and illegal drugs. Senders of prohibited messages are required to remove registered contact points from their electronic mailing lists within 30 days of the registration. If a registered "contact point" receives a prohibited message, a complaint may be filed by going to Michigan.gov/protectmichild. The Michigan Attorney General's office is responsible for the enforcement and investigation of complaints. A first violation is a misdemeanor; subsequent violations are felonies. Civil penalties may also be sought.

Office of Financial and Insurance Services

- The Investor Ed @ Your Library program, funded through a grant by the Investor Protection Trust and facilitated by staff from the OFIS Securities Section, continues to be a very successful outreach initiative. This free program is designed to help individuals make informed investment decisions, whether in their company-sponsored retirement accounts or in their private investment and savings accounts. The goal of the program is to provide quality, noncommercial investor education through Michigan's libraries. During the year, sessions were held at many public libraries throughout the state, reaching hundreds of Michigan citizens.
- OFIS issued Final Decisions in more than 20 formal hearings that denied licenses to unqualified applicants or revoked licenses of persons that violated the licensing laws. Through settlement, it revoked licenses or issued prohibition orders in 150 additional matters.
- OFIS took a number of steps to address mortgage fraud and predatory lending, including:
 - Issuing regulatory best practices for mortgage originators to follow when marketing and selling certain adjustable-rate mortgage (ARM) products to subprime borrowers;
 - Creating an internet resource for homeowners who are facing foreclosure;
 - Working on legislation to combat predatory lending and to require the licensing of loan officers;
 - Prohibiting 28 bad actors from participating in Michigan's residential mortgage loan and finance service industries.

Bureau of Construction Codes

Used the internet for several cost-savings measures including:

- Creating a database for inspector registration and education;
- Implementing an online licensing renewal system for various license holders; and
- Offering meeting packet information online for its boards and commissions, saving an estimated \$25,411.02 annually.

Bureau of Commercial Services

- BCS began issuing onsite licenses for cosmetologists, manicurists, estheticians, electrologists, natural hair culturists and barbers. The advantage of onsite licensing is that applicants who pass their state examinations can walk out the door with a license and start their new careers the very next day. The move eliminated the red tape of requiring licensees to wait for a letter from the state to arrive by mail to start a new job and begin earning a paycheck. Onsite Licensure became a possibility with the advent of the MyLicense program. MyLicense allows licensure candidates to complete the license application process online, prior to taking the licensing examinations. The use of MyLicense and the issuance of onsite licenses are estimated to serve 19,156 new cosmetologist, barber, real estate, and real estate appraiser licensees per year. Approximately 35% of all licensees are now renewing their licenses or registrations on-line which reduces the workload of mailroom, cashiers office and division staff. BCS launched the COLA (Commercial and Occupational Licensing) database for Real Estate, which is expected to expand to 30 other occupations within 18 months. A companion database, iCOLA, will facilitate on-line application filing, address changes, duplicate license issuance and employee transfers.
- Auctioneers joined 31 occupations which are currently regulated by DLEG's Bureau of Commercial Services. DLEG's Licensing Division licenses more than 330,000 individuals and businesses.
- Michigan corporations and limited liability companies can now file prior year annual reports and statements online. FILEOnline service automates the paper routing of documents, the data entry of agent or address changes, and improves the collection of revenues by providing customers with the online ability to pay annual report and statement fees with credit cards, using the secure and approved State of Michigan credit card authorization process. The new expanded service allows businesses to see which reports or statements have been filed within the last three years; when those reports or statements were filed; and provides a quick link to view online filed reports and other documents filed for the company. FILEOnline can be accessed at <http://www.michigan.gov/fileonline>

Bureau of Fire Services

- BFS began sending a newsletter to its stakeholders and providing new online training programs.

SOAHR

- More than 100 Administrative Law Judges provided more than 125,000 administrative hearings annually to nearly all of Michigan's Departments and agencies. SOAHR was selected by the Governor's Cabinet to be the first process re-engineering project to be used as a model for future projects.

Michigan Tax Tribunal

- The Tribunal handled approximately 13,000 tax appeals filed in 2007, compared to approximately 9,000 appeals in 2006. During the last fiscal year, the Tribunal closed the second highest number of cases in 30 years. Support staff docketed and processed the largest number of appeals filed in roughly 20 years.

III. Labor

Unemployment Insurance Agency (UIA)

INTEGRITY

- **Misclassification of Employees** – The misclassification of employees is a problem that impacts employers, workers and government. UIA is taking action to correct the problem in Michigan through the Misclassification of Wages Initiative. UIA began a 22-county pilot in 2005 partnering with the Internal Revenue Service (IRS) to using IRS data. The successful pilot was expanded statewide in 2006. UIA is partnering with the Workers' Compensation Agency and the Wage & Hour Division in taking an aggressive stance with employers who are using 1099s inappropriately. UIA is now looking to expand its misclassification project to other state of Michigan departments.
- **Questionable Employment Tax Practice (QETP) initiative** – Michigan was the first state to sign the memorandum of understanding (MOU) with the IRS. The MOU is part of the joint federal-state QETP initiative, which provides for the sharing of tax and audit information between UIA and IRS. The agreement will help improve compliance with state and federal regulations governing employment and unemployment tax and will reduce fraudulent filing and the misclassification of workers as independent contractors. UIA now meets quarterly with regional IRS staff to determine if there are cases in common, how to better communicate and to share appropriate information and updates.
- **State Unemployment Tax Act (SUTA) Dumping** – UIA's SUTA Unit helps to protect the integrity of Michigan's UI Trust Fund. The unit is working to settle SUTA cases and to expedite the process with employers. From January to November 2007, UIA obtained 24 SUTA settlements with employers. The agency continues its education outreach with the employer community on the need to report business transfers in whole or in part. The agency has worked with Labor Market Information to expand and enhance review of data to identify additional patterns that may indicate SUTA dumping.

CUSTOMER SERVICE FOR EMPLOYERS AND UNEMPLOYED WORKERS

Services for unemployed workers

- **Debit Card** – In 2007, UIA started the Debit Card/EFT process and will implement the systems in the 2nd quarter of 2008. The systems will better serve unemployed workers who are receiving unemployment benefits. Once implemented, debit cards and electronic fund transfers (EFT) will be the new methods by which unemployed workers receive their benefits. The new methods will save UIA postage costs and will greatly reduce the issue of lost and stolen benefit checks. The agency has accepted bids from vendors to implement the process and has received approval for a supplemental budget request from the U.S. Department of Labor to begin implementation.

Services for employers

- **Work Opportunity Tax Credit (WOTC) Program** – UIA implemented changes to the federal WOTC program, which was renewed through August 2011. WOTC gives employers federal tax credits for hiring certain categories of workers who typically have difficulties in finding employment. The Small Business and Work Opportunity Tax Act of 2007 reauthorized and expanded the program to cover more workers.
- **Employer Web Account Management (EWAM)** – UIA added new functions to EWAM, the on-line service to employers. EWAM gives employers 24/7 online access to their UI tax accounts and various UI tax functions. The newly added functions are: electronic file-submit process for tax Forms UIA 1020 and UIA 1020R; a discontinuance of business form; employer protests of tax determinations; an amended tax report process; and a bulk payment-submit process to work with the file-submit process. In addition, UIA staff now has access through the Internet to review and use the same information that employers can access.

TECHNOLOGY

Workflow and efficiency gains for customers and staff

- **Automated Work Distribution System (AWDS) Redesign and Upgrade** – The redesign significantly simplifies the way work is electronically distributed to staff with better monitoring and reporting. Staff electronically extracts work from these queues for completion. These changes have allowed UIA to reduce paperwork and speed service to unemployed workers. The redesign of the Tax AWDS is scheduled for 2008.
- **Other technology improvements** -- The System Integration Project (System Rewrite) will upgrade and integrate UIA's Benefits, Adjudication and Tax systems into one cohesive system; improvements to automating deductions from UI benefits for Friend of the Court payments has eliminated the need for staff involvement and increased automated payments to more than 80 percent, making for speedier payments to custodial parents; and improvements to the multi-claimant determination look-up allows staff to find and review information from data bases and to more quickly respond to claimant questions.

Michigan Employment Security Board of Review

- The Board reduced average age of pending cases from about 99 days in March 2007 to 57 days in October 2007.
- The number of Board cases appealed to circuit court dropped from approximately three percent from 2003-2005 to about two percent from October 2005 to the present.
- Staff attorney productivity has increased approximately 10 percent from 2006 to 2007.
- Overall, the Board increased its efficiency during the year, while decreasing the number of Board decisions which are appealed.

Michigan Occupational Safety & Health Administration (MIOSHA)

- **CET Grants** – For FY 2007, MIOSHA awarded 20 Consultation Education and Training (CET) grants, totaling \$1.15 million to promote worker safety and health; and for FY 2008, the agency awarded 20 grants, totaling \$1.035 million. The CET Grant program provides additional options for safety and health education and training to employers and employees. Most of the grants focus on the performance goals identified in the MIOSHA strategic plan, with a particular emphasis on hazard recognition and prevention for high-hazard manufacturing industries. CET grants are competitively awarded to nonprofit organizations, such as universities, management/employer groups, labor/employee organizations, hospitals and service agencies.
- **Michigan Training Institute (MTI)** – In March 2007, MIOSHA announced a new certification program through the Consultation, Education, and Training (CET) Division, co-sponsors in collaboration with the MIOSHA Training Institute (MTI) at Macomb Community College (MCC) M-TEC. The MTI is part of the MIOSHA Alliance with MCC M-TEC. Beginning October 2007, seminars offered through MTI gave the public an opportunity to achieve a Level One – General Safety and Health certification in either General Industry Safety and Health or Construction Safety and Health. Courses will be offered throughout the state at various M-TEC facilities, community colleges and other safety organizations. Level Two – advanced certification programs are being developed and will be added in 2008.
- **Michigan Challenge Program (MCP)** – In February 2007, the CET Division launched a new program, offering high-hazard employers opportunities to develop an effective safety and health management systems while being granted a six-month deferral from a MIOSHA inspection. The deferral gives the employer time to learn about safety and health management systems, identify strengths and weaknesses of their existing program, review accident trends and cost estimates, identify compliance solutions for potential hazards and receive safety and health training.
- **Connecting MIOSHA to Industry** – In January 2007, MIOSHA began a new program focus, "Connecting MIOSHA to Industry." The initiative uses a single employer targeting list for compliance and consultation, develops improved coordination mechanisms between consultation and enforcement activities, increases outreach activities to employers; and enhances communication skills among MIOSHA staff. The goals are to support proactive safety and health

systems, decrease workplace safety and health hazards, expand partnership opportunities and increase the competitiveness of state employers.

- **“Take a Stand Day”** – On August 15, 2007, MIOSHA held its third annual “Take a Stand Day.” The Day gives an opportunity for employers to receive a special one-on-one consultation with no citations and no penalties. The CET Division received over 226 requests and assigned them to enforcement and consultation staff. This event continues to grow each year offering agency staff an opportunity to “connect with industry.”
- **New MIOSHA Customer Comment/Suggestion Cards** – In May 2007, MIOSHA started a new comment/suggestion card program for customers, using a larger card with more questions. Cards are either passed out by field staff at the conclusion of an intervention, or they are mailed by MIOSHA when a case file is closed.
- Program-related fatalities have dropped by 44.2%, when comparing CY 2006’s 52 program-related fatalities in Michigan and the 29 for CY 2007 year to date.

Wage & Hour Division

- Four Prevailing Wage forums were held by the Wage & Hour Division in the summer of 2007 for public school districts, community colleges and public universities, as well as labor unions. Each of the forums gave information about the history of the Prevailing Wage Act; the responsibilities of contracting agents and contractors, the division’s enforcement efforts and the establishment of prevailing wage rates. Forums were held in Traverse City, Grand Rapids, Flint and Detroit. The Detroit forum was videotaped, and the Division mailed 500 DVDs of the session to K-12 school districts, community colleges and public universities that were unable to attend the forums.
- The Division launched a new website that identifies those contractors and subcontractors who have violated the state’s Prevailing Wage Act. The site is intended to help contracting agents, who award construction contracts for public schools, community colleges and public universities and for other state-fund construction projects.
- Michigan’s minimum hourly wage rose to \$7.15, a 20¢ increase, on July 1, 2007. The increase was the second of three scheduled increases. The third increase will occur on July 1, 2008, when the wage rises to \$7.40 an hour.
- Wage collections reached a record \$2,915,133 in FY 2007, surpassing the previous high of \$2.8 million in 2001. FY 2007 collections rose by 30 percent over those from the previous fiscal year.
- A Youth Employment Standards Act educational blitz reached out to Michigan businesses and schools with information about the state’s youth employment laws. Division staff made nearly 1,000 educational visits and about 90 percent were made to employers. The number of Youth Employment educational visits increased by 54 percent over the previous year.

Workers’ Compensation Agency (WCA)

- The Workers’ Compensation Research Institute (WCRI) earlier this year issued its findings from a study that compares workers’ compensation costs between 14 states, including Michigan. The Institute found that “costs per claim in Michigan were lower than typical compared with the 13 other large states.” The total costs per claim (2002-2005) remained 35 percent lower in Michigan than the median for the 14 states in the study. These states represent 60 percent of the nation’s workers’ compensation benefit payments. In another recent study of workers’ compensation costs, conducted by the state of Oregon’s program, Michigan ranked 39th in the country in terms of premium costs. In other words, only 11 states have premium payments lower than Michigan’s.
- The pure premium rate for workers’ compensation insurance is expected to drop by an average of 4.2 percent for 2008. The rate is an annual yardstick against which private insurance carriers can compare their rate structures for workers’ compensation coverage for the coming year.
- In 2007 WCA consolidated its operations, along with the Lansing hearing offices and the Appellate Commission, to the General Office Building to more efficiently serve employers and workers. The consolidations created a more efficient and secure setting for the public and agency staff, as well as free parking.

- Software upgrades to the Funds Administration claims payment system will improve the efficiency of benefit payments to injured workers covered by one of the statutory funds. Previous software versions were obsolete and could not be maintained at peak efficiency.
- The Workers' Compensation Appellate Commission significantly reduced the backlog of cases awaiting review, reducing the backlog by 42 percent from January to October 2007.

Commission on Spanish Speaking Affairs (COSSA)

- **Strategic Plan – 2007-2011** – COSSA revised its Strategic Plan – 2007-2011. Goal areas include: Education, Economic Development, Legislative and Civic Engagement
- **Hispanic Education Summit** – The Summit, in which COSSA partnered with Lansing Community College, highlighted the unique challenges the Spanish-speaking student population faces in Michigan. COSSA believes discussing these issues with educators and policy makers will help find solutions to these challenges. COSSA's Education Ad-Hoc Committee also believes collaboration between all systems will enhance and improve the quality of education for our children.
- **Hispanic Business Expo** – The Expo, co-sponsored by COSSA and the Hispanic Business Alliance, educates and informs Hispanic businesses about the programs available through the state of Michigan.
- **2nd Annual Hispanic Entrepreneur of the Year Award** – The award was presented to Lydia Gutierrez, owner of Hacienda Mexican Foods in Southwest Detroit, at the Hispanic Business Expo in recognition of her accomplishments. The award was sponsored by COSSA.
- **Michigan Hispanic Caucus** – The Caucus, co-sponsored by COSSA, educates and celebrates the heritage and accomplishments of Hispanics in Michigan. Recognition awards were presented at the Annual Hispanic Heritage Month Recognition Banquet for:
 - Educator of the Year / Artist of the Year / Advocate of the Year / Lifetime Achievement / Business Entrepreneur of the Year
 - Four student scholarships were awarded to high school seniors.